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GOVERNOR

STATE OF MICHIGAN
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Questions? Just call us at 517-335-7858.

Friday, March 2, 2012

Jack Martin reappointed as emergency manager for Highland Park Schools

Gov. Rick Snyder today followed the recommendation of the independent Highland Park Schools review team, confirming his determination that a financial emergency exists in the Highland Park School District and reappointing Jack Martin as emergency manager, pursuant to Public Act 4 of 2011, the Local Government and School District Fiscal Accountability Act. Martin, a certified public accountant, is founder and chairman of Martin, Arrington, Desai & Meyers, P.C., and served as chief financial officer for the U.S. Department of Education from 2002 to 2005.

“Jack Martin is the right person for this post. Not only does he have a clear understanding of the crisis facing Highland Park school, he has the background, expertise and passion to address it,” Snyder said. “Despite the roadblocks along the way, we remain committed and will work tirelessly to ensure to the well-being and education of Highland Park kids.”

The governor’s reappointment of Martin followed a review team’s unanimous recommendation first on Jan. 4, and again on Feb. 22 during an open public meeting, that the district is experiencing a financial emergency.

- The HPS cumulative deficit increased by 51 percent over the past fiscal year, growing from \$6.6 million to \$11.3 million. Expenditures exceeded revenues by \$3.8 million in FY 11. The district received \$14,165 per pupil, but expended \$16,508 per pupil.
- For the 2011 fiscal year, HPS’ per pupil revenue ranked 40 out of 777 local districts and academies, placing the district in the top 5 percent of per pupil revenue statewide.
- Despite three special hardship or cash advances that totaled nearly \$5 million over the past seven months, Highland Park Schools was unable to pay its teachers and staff for the third time on Feb. 24, 2012.
 - On Feb. 8, 2012, the Michigan Department of Education processed a \$261,000 state aid advance under Section 17b of the State School Aid Act to ensure that the district could meet its Feb. 10, 2012 payroll for teachers and staff.
 - On Jan. 13, 2012, MDE processed a \$188,000 state aid advance to again ensure that the district could meet its payroll for teachers and staff.
- The district’s pupil enrollment has decreased by 58 percent since 2006, dropping from 3,179 pupils to 1,331 for FY 2011. Current estimates show a pupil count of 969.
- The district has incurred an operating deficit in five of the last six fiscal years.

As emergency manager, Mr. Martin will develop and maintain ongoing communications with school district officials, parents of Highland Park students, members of the community, and the media.

Jack Martin Biography

Martin is founder and chairman of Martin, Arrington, Desai & Meyers, P.C. and has 40 years of experience in both the public and private sectors. Martin served as chief financial officer for the U.S. Department of Education after serving as CEO and managing director of Jack Martin & Co. Certified Public Accountants and Consultants and acting CEO of Home Federal Savings Bank of Detroit. Martin is a certified public accountant and member of the American Institute and Michigan Association of Certified Public Accountants. Martin holds bachelor's and master's degrees from Wayne State University and did post-graduate work in labor economics at the University of Minnesota. He is also a veteran of the U.S. Marine Corps.

For more information about PA 4, visit the Local Government Fiscal Health page on the Department of Treasury's Web site at www.michigan.gov/treasury.

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